

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

2008

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

Open to Public Inspection

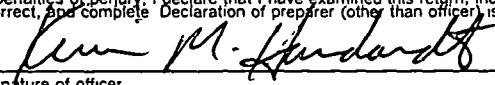
For the 2008 calendar year, or tax year beginning , 2008, and ending


B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See specific instructions.	C Name of organization American Gas Association		D Employer Identification Number 13-0431590
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 400 N. Capitol Street, N.W.		E Telephone number (202) 824-7255
		City, town or country State ZIP code + 4 Washington DC 20001		G Gross receipts \$ 50,906,301.
		F Name and address of principal officer Kevin M. Hardardt 400 North Capitol St., NW Washington DC 20001		
I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (6) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)		
J Website: www.aga.org		H(c) Group exemption number		
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		L Year of formation 1971	M State of legal domicile DE	

Part I Summary

1 Briefly describe the organization's mission or most significant activities: <u>SEE SCHEDULE O</u>	
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.	
3 Number of voting members of the governing body (Part VI, line 1a)	3 41
4 Number of independent voting members of the governing body (Part VI, line 1b)	4 41
5 Total number of employees (Part V, line 2a)	5 94
6 Total number of volunteers (estimate if necessary)	6 2,600
7a Total gross unrelated business revenue from Part VIII, line 12, column (A)	7a 628,882.
7b Net unrelated business taxable income from Form 990-T, line 34	7b 212,802.
8 Contributions and grants (Part VIII, line 1h)	Prior Year 0. Current Year 0.
9 Program service revenue (Part VIII, line 2g)	22,667,352. 23,410,929.
10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,385,502. 782,507.
11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	843,225. 955,789.
12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	25,896,079. 25,149,225.
13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0. 0.
14 Benefits paid to or for members (Part IX, column (A), line 4)	0. 0.
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	13,813,682. 14,808,970.
16a Professional fundraising fees (Part IX, column (A), line 11e)	0. 0.
b Total fundraising expenses (Part IX, column (D), line 25)	
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	11,024,095. 11,536,338.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	24,837,777. 26,345,308.
19 Revenue less expenses. Subtract line 18 from line 12	1,058,302. -1,196,083.
20 Total assets (Part X, line 16)	Beginning of Year 35,273,355. End of Year 29,423,591.
21 Total liabilities (Part X, line 26)	21,762,054. 31,086,438.
22 Net assets or fund balances. Subtract line 21 from line 20.	13,511,301. -1,662,847.

Part II Signature Block

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.	
	Signature of officer 	Date 11/10/09
	Kevin M. Hardardt Chief Fin'l & Admin. Officer Type or print name and title	

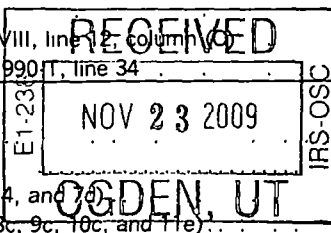
Paid Preparer's Use Only	Preparer's signature 	Date	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4		EIN	Phone no.

May the IRS discuss this return with the preparer shown above? (see instructions)

Yes No

BAA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

TEEA0101 04/23/09 Form 990 (2008)

 SCANNED DEC 17 2009
 Revenue
 Activities & Governance

 912
 17

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission:

See Schedule O

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?

☐ Yes ☒ No

If 'Yes,' describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

(See Schedule O)

4b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

(See Schedule O)

4c (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

(See Schedule O)

4d Other program services (Describe in Schedule O)

(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ▶ \$ _____ (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I	X	
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II		
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III	X	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If 'Yes,' complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the U S ?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If 'Yes,' complete Schedule F, Part I		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Part II		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Part III		X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If 'Yes,' complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20 Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H		X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If 'Yes,' complete Schedule I, Parts I and II		X
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If 'Yes,' complete Schedule I, Parts I and III		X
23 Did the organization answer 'Yes' to Part VII, Section A, questions 3, 4, or 5? If 'Yes,' complete Schedule J	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? If 'Yes,' answer questions 24b-24d and complete Schedule K. If 'No,' go to question 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If 'Yes,' complete Schedule L, Part I		
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If 'Yes,' complete Schedule L, Part I		
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If 'Yes,' complete Schedule L, Part II		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If 'Yes,' complete Schedule L, Part III		X

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If 'Yes,' complete Schedule L, Part IV</i>	28a	X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If 'Yes,' complete Schedule L, Part IV</i>	28b	X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If 'Yes,' complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>	36	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>	37	X

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Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1 a	Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable	40	
1 b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2 a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	94	
2 b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)	X	
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
3 b	If 'Yes,' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O	X	
4 a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4 b	If 'Yes,' enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		
5 c	If 'Yes,' to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
6 a	Did the organization solicit any contributions that were not tax deductible?	X	
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible?	X	
7	Organizations that may receive deductible contributions under section 170(c).		
7 a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?		
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year		
7 e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
7 g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7 h	For all contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make any distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10 a	Initiation fees and capital contributions included on Part VIII, line 12		
10 b	Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11 a	Gross income from other members or shareholders		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year		

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Form 990 (2008)

Part VI Governance, Management and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

For each 'Yes' response to lines 2-7b below, and for a 'No' response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

	Yes	No
1 a Enter the number of voting members of the governing body	41	
1 b Enter the number of voting members that are independent	41	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a material diversion of the organization's assets?		X
6 Does the organization have members or stockholders?	X	
7 a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
7 b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	X	
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?	X	
9 a Does the organization have local chapters, branches, or affiliates?		X
b If 'Yes,' does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O		X

Section B. Policies

	Yes	No
12 a Does the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	X	
b Other officers or key employees of the organization?	X	
Describe the process in Schedule O (see instructions)		
16 a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If 'Yes,' has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosures

17 List the states with which a copy of this Form 990 is required to be filed ► None

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

► Joseph Martin, Controller 400 N. Capitol St., N.W. Washington DC 20001 (202) 824-7255

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees**

1 a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) or more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

☐ Check this box if the organization did not compensate any officer, director, trustee, or key employee

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
David M. McClanahan Chairman	6.00	X						0.	0.	0.
Thomas E. Skains 1st Vice Chairman	4.00	X						0.	0.	0.
Robert C. Skaggs, Jr. 2nd Vice Chairman	2.00	X						0.	0.	0.
James H. DeGraffenreidt, Jr. Immediate Past Chairman	2.00	X						0.	0.	0.
Robert M. Alessio Director	1.00	X						0.	0.	0.
Allan K. Allred Director	1.00	X						0.	0.	0.
Robert W. Best Director	1.00	X						0.	0.	0.
Lawrence T. Borgard Director	1.00	X						0.	0.	0.
Kevin Burke Director	1.00	X						0.	0.	0.
Scott A. Cisel Director	1.00	X						0.	0.	0.
Randall L. Crawford Director	1.00	X						0.	0.	0.
Mark S. Dodson Director	1.00	X						0.	0.	0.
Laurence M. Downes Ex-Officio	1.00	X						0.	0.	0.
Niel C. Ellerbrook Director	1.00	X						0.	0.	0.
David R. Emery Director	1.00	X						0.	0.	0.
Edward J. Graham Director	1.00	X						0.	0.	0.
William D. Harvey Director	1.00	X						0.	0.	0.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont.)

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
Chris Hermann Director	1.00	X						0.	0.	0.
Robert T. Howard Director	1.00	X						0.	0.	0.
Glenn R. Jennings Director	1.00	X						0.	0.	0.
James C. Kneale Director	1.00	X						0.	0.	0.
Thomas E. Knudsen Director	1.00	X						0.	0.	0.
Paul D. Koonce Director	1.00	X						0.	0.	0.
Ralph A. LaRossa Director	1.00	X						0.	0.	0.
Kent T. Larson Director	1.00	X						0.	0.	0.
Constantine S. Liollio Director	1.00	X						0.	0.	0.
Carey B. Lykins Director	1.00	X						0.	0.	0.
Carl E. Meyer Director	1.00	X						0.	0.	0.
Jerry Norcia Director	1.00	X						0.	0.	0.
Continued on Schedule J-2								0.	0.	0.
1 b Total								4,911,397.	0.	962,844.

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization ▶ 26

3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual

4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes,' complete Schedule J for such individual

5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If 'Yes,' complete Schedule J for such person

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of Services	(C) Compensation
Regional Construction 444 No. Capitol St, NW Washington DC 20001	Office Renovation	621,792.
Maryland Office Interio 1515 No. Courthouse Rd. Arlington VA 22201	Office Renovation	560,058.
Ricoh Professional Svcs 2300 Park Lake Dr. Atlanta GA 30345	Mailroom/Printing Svcs	357,027.
GOP Convention Strategi 380 Jackson St. St. Paul MN 55101	Shared Convention Services	323,240.
Avecetra 7901 Jones Branch Drive McLean VA 22102	Software Consultants	123,765.

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization ▶ 10

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS	1a Federated campaigns	1a 0.				
	b Membership dues	1b 0.				
	c Fundraising events	1c 0.				
	d Related organizations	1d 0.				
	e Government grants (contributions)	1e 0.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 0.				
	g Noncash contribns included in lns 1a-1f	\$ 0.				
	h Total. Add lines 1a-1f		0.			
PROGRAM SERVICE REVENUE		Business Code				
	2a Membership Dues	900004	19,148,530.	19,148,530.		
	b Publications Income	541800	529,997.		529,997.	
	c Meetings/exhibit income	900004	2,615,173.	2,615,173.		
	d Sponsorship Income	900004	1,005,053.	1,005,053.		
	e Index Fund	900004	98,885.		98,885.	
	f All other program service revenue	900,004.	13,291.	13,291.		
	g Total. Add lines 2a-2f		23,410,929.			
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		1,166,382.			1,166,382.
	4 Income from investment of tax-exempt bond proceeds		0.			
	5 Royalties		831,250.			831,250.
		(i) Real (ii) Personal				
	6a Gross Rents	282,204.				
	b Less: rental expenses	296,652.				
	c Rental income or (loss)	-14,448.				
	d Net rental income or (loss)		-14,448.			-14,448.
		(i) Securities (ii) Other				
	7a Gross amount from sales of assets other than inventory	25,068,944.	7,605.			
	b Less: cost or other basis and sales expenses	25,454,550.	5,874.			
	c Gain or (loss)	-385,606.	1,731.			
	d Net gain or (loss)		-383,875.			-383,875.
	8a Gross income from fundraising events (not including \$ 0. of contributions reported on line 1c). See Part IV, line 18	a 0.				
	b Less: direct expenses	b 0.				
	c Net income or (loss) from fundraising events		0.			
	9a Gross income from gaming activities. See Part IV, line 19	a 0.				
	b Less: direct expenses	b 0.				
	c Net income or (loss) from gaming activities		0.			
	10a Gross sales of inventory, less returns and allowances	a 0.				
b Less: cost of goods sold	b 0.					
c Net income or (loss) from sales of inventory		0.				
Miscellaneous Revenue		Business Code				
11a Information Requests	9000004	860.	860.			
b Reimb. of Legal Expense	9000004	1,200.	1,200.			
c Support Svcs. AMGAS Foundation	561000	136,927.	136,927.			
d All other revenue						
e Total. Add lines 11a-11d		138,987.				
12 Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e		25,149,225.	22,921,034.	628,882.	1,599,309.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	0.			
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	4,473,992.			
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B))	0.			
7 Other salaries and wages	6,611,641.			
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	2,179,462.			
9 Other employee benefits	921,892.			
10 Payroll taxes	621,983.			
11 Fees for services (non-employees)				
a Management	0.			
b Legal	72,112.			
c Accounting	76,444.			
d Lobbying	168,941.			
e Prof fundraising svcs. See Part IV, ln 17	0.			
f Investment management fees	92,523.			
g Other	2,498,126.			
12 Advertising and promotion	445,492.			
13 Office expenses	1,182,735.			
14 Information technology	418,667.			
15 Royalties	13,317.			
16 Occupancy	1,237,328.			
17 Travel	956,496.			
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	2,785,504.			
20 Interest	0.			
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	679,013.			
23 Insurance	209,725.			
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a Memberships/Contributions	648,501.			
b Unrelated Business Income Tax	48,702.			
c Miscellaneous Expense	2,712.			
d				
e				
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	26,345,308.			
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
ASSETS	1 Cash — non-interest-bearing		1	
	2 Savings and temporary cash investments	12,824,440.	2	2,850,001.
	3 Pledges and grants receivable, net	0.	3	0.
	4 Accounts receivable, net	430,557.	4	279,269.
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L	0.	5	0.
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L	0.	6	0.
	7 Notes and loans receivable, net	0.	7	0.
	8 Inventories for sale or use	0.	8	0.
	9 Prepaid expenses and deferred charges	421,739.	9	384,981.
	10a Land, buildings, and equipment: cost basis	6,487,305.		
	b Less: accumulated depreciation. Complete Part VI of Schedule D	4,520,653.		
		1,139,439.	10c	1,966,652.
	11 Investments — publicly-traded securities	20,376,280.	11	23,801,097.
	12 Investments — other securities. See Part IV, line 11	0.	12	0.
	13 Investments — program-related. See Part IV, line 11	0.	13	0.
	14 Intangible assets	0.	14	0.
15 Other assets. See Part IV, line 11	80,900.	15	141,591.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	35,273,355.	16	29,423,591.	
LIABILITIES	17 Accounts payable and accrued expenses	2,102,597.	17	1,880,866.
	18 Grants payable	0.	18	0.
	19 Deferred revenue	1,883,193.	19	1,333,242.
	20 Tax-exempt bond liabilities	0.	20	0.
	21 Escrow account liability. Complete Part IV of Schedule D	0.	21	0.
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0.	22	0.
	23 Secured mortgages and notes payable to unrelated third parties	0.	23	0.
	24 Unsecured notes and loans payable	0.	24	0.
	25 Other liabilities. Complete Part X of Schedule D	17,776,264.	25	27,872,330.
	26 Total liabilities. Add lines 17 through 25	21,762,054.	26	31,086,438.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34.			
	27 Unrestricted net assets	13,511,301.	27	-1,662,847.
	28 Temporarily restricted net assets	0.	28	0.
	29 Permanently restricted net assets	0.	29	0.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, and equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances. ...	13,511,301.	33	-1,662,847.
	34 Total liabilities and net assets/fund balances	35,273,355.	34	29,423,591.

Part XI Financial Statements and Reporting

- 1** Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other
- 2a** Were the organization's financial statements compiled or reviewed by an independent accountant?
- b** Were the organization's financial statements audited by an independent accountant?
- c** If 'Yes' to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
- 3a** As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?
- b** If 'Yes,' did the organization undergo the required audit or audits?

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

BAA

Form 990 (2008)

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

► **To be completed by organizations described below.**

► **Attach to Form 990 or Form 990-EZ.**

OMB No 1545-0047

2008

**Open to Public
Inspection**

If the organization answered 'Yes,' to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: complete Parts I-A and B. Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations: complete Parts I-A and C below. Do not complete Part I-B
- Section 527 organizations: complete Part I-A only

If the organization answered 'Yes,' to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A

If the organization answered 'Yes,' to Form 990, Part IV, line 5 (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III

Name of organization

Employer identification number

American Gas Association

13-0431590

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations.
See the instructions for Schedule C for details.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV
- 2 Political expenditures ► \$ 11,500.
- 3 Volunteer hours 0

Part I-B To be completed by all organizations exempt under section 501(c)(3).
See the instructions for Schedule C for details.

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ► \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ► \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If 'Yes,' describe in Part IV.

Part I-C To be completed by all organizations exempt under section 501(c), except section 501(c)(3).
See the instructions for Schedule C for details.

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ► \$ 11,500.
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ► \$ 0.
- 3 Total of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b ► \$ 11,500.
- 4 Did the filing organization file **Form 1120-POL** for this year? ☒ Yes ☐ No
- 5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's funds or were political contributions received and promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's own internal funds. If none, enter -0-	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-
GASPAC	400 North Capitol St. NW Washington, DC 20001	13-0431590	0.	35,483.

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule C (Form 990 or 990-EZ) 2008

Part II-A To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

- A** Check ☐ if the filing organization belongs to an affiliated group
- B** Check ☐ if the filing organization checked box A and 'limited control' provisions apply

Limits on Lobbying Expenditures – (The term 'expenditures' means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1 a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount. Enter the amount from the following table in both columns															
<table border="0"> <tr> <td>If the amount on line 1e, column (a) or (b) is</td> <td>The lobbying nontaxable amount is</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>		If the amount on line 1e, column (a) or (b) is	The lobbying nontaxable amount is	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000		
If the amount on line 1e, column (a) or (b) is	The lobbying nontaxable amount is														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000														
Over \$17,000,000	\$1,000,000														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a. Enter -0- if line g is more than line a															
i Subtract line 1f from line 1c. Enter -0- if line f is more than line c															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?															

☐ Yes ☐ No

4-Year Averaging Period Under Section 501(h)
 (Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column (e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

BAA

Schedule C (Form 990 or 990-EZ) 2008

Part II-B To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)). See the instructions for Schedule C for details.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a Volunteers?			
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c Media advertisements?			
d Mailings to members, legislators, or the public?			
e Publications, or published or broadcast statements?			
f Grants to other organizations for lobbying purposes?			
g Direct contact with legislators, their staffs, government officials, or a legislative body?			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?			
i Other activities? If 'Yes,' describe in Part IV			
j Total lines 1c through 1i			
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b If 'Yes,' enter the amount of any tax incurred under section 4912			
c If 'Yes,' enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6). See the instructions for Schedule C for details.

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?		X
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?		X
3 Did the organization agree to carryover lobbying and political expenditures from the prior year?		X

Part III-B To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered 'No' OR if Part III-A, question 3 is answered 'Yes.' See Schedule C Instructions for details.

1 Dues, assessments and similar amounts from members	1	19,148,530.
2 Section 162(e) non-deductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	839,480.
b Carryover from last year	2b	
c Total	2c	839,480.
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	838,706.
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	774.
5 Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5	0.

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i. Also, complete this part for any additional information.

Pt I-A Line 1 AGA's political campaign activities consist of contributions made to candidates for state offices in states where corporate contributions are allowable.

Part IV	Supplemental Information <i>(continued)</i>
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**SCHEDULE D
(Form 990)**Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements****Attach to Form 990. To be completed by organizations that
answered 'Yes,' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008**Open to Public
Inspection**

Name of the organization

American Gas Association

Employer identification number

13-0431590

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts Complete if
the organization answered 'Yes' to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit??		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements Complete if the organization answered 'Yes' to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easement it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets
Complete if the organization answered 'Yes' to Form 990, Part IV, line 8.

1 a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1	► \$ _____
(ii) Assets included in Form 990, Part X	► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1	► \$ _____
b Assets included in Form 990, Part X	► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements Complete if organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table:

	Amount
1 c	
1 d	
1 e	
1 f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2 a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☒ No

b If 'Yes,' explain the arrangement in Part XIV

Part V Endowment Funds Complete if organization answered 'Yes' to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

a Board designated or quasi-endowment ▶ _____ %

b Permanent endowment ▶ _____ %

c Term endowment ▶ _____ %

3 a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

b If 'Yes' to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book Value
1 a Land				
b Buildings				
c Leasehold improvements		2,163,426.	1,125,169.	1,038,257.
d Equipment		2,819,139.	2,283,421.	535,718.
e Other		1,504,740.	1,112,063.	392,677.
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c))				1,966,652.

BAA

Schedule D (Form 990) 2008

Part VII Investments—Other Securities See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total (Column (b) should equal Form 990 Part X, col. (B) line 12.)		

Part VIII Investments—Program Related (See Form 990, Part X, line 13)

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. Column (b) (should equal Form 990, Part X, Col. (B) line 13)		

Part IX Other Assets (See Form 990, Part X, line 15)

(a) Description	(b) Book value
ACCRUED INTEREST RECEIVABLE	141,591.
Total. Column (b) Total (should equal Form 990, Part X, col. (B), line 15)	141,591.

Part X Other Liabilities (See Form 990, Part X, line 25)

(a) Description of Liability	(b) Amount
Federal Income Taxes	
DEFERRED COMPENSATION PLAN	136,566.
DEFERRED RENT / OTHER LIABILITIES	1,478,622.
APPLIANCE STDS. / CERTIFICATION LIABILITIES	3,287,311.
ACCRUED PENSION	18,037,281.
POST RETIREMENT HEALTH BENEFITS LIABILITY	4,932,550.
Total. Column (b) Total (should equal Form 990, Part X, col. (B) line 25)	27,872,330.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	25,149,225.
2	Total expenses (Form 990, Part IX, column (A), line 25)	26,345,308.
3	Excess or (deficit) for the year Subtract line 2 from line 1	-1,196,083.
4	Net unrealized gains (losses) on investments	-5,079,299.
5	Donated services and use of facilities	0.
6	Investment expenses	0.
7	Prior period adjustments	0.
8	Other (Describe in Part XIV)	-8,881,702.
9	Total adjustments (net) Add lines 4-8	-13,961,001.
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	-15,157,084.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	26,417,755.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-64,664.
b	Donated services and use of facilities	2b	0.
c	Recoveries of prior year grants	2c	0.
d	Other (Describe in Part XIV)	2d	-6,440,352.
e	Add lines 2a through 2d	2e	-6,505,016.
3	Subtract line 2e from line 1	3	19,912,739.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	92,523.
b	Other (Describe in Part XIV)	4b	5,143,963.
c	Add lines 4a and 4b	4c	5,236,486.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	25,149,225.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	26,457,828.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	-205,043.
e	Add lines 2a through 2d	2e	-205,043.
3	Subtract line 2e from line 1	3	26,252,785.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investments expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	92,523.
c	Add lines 4a and 4b	4c	92,523.
5	Total expenses Add lines 3 and 4c (This should equal Form 990, Part I, line 18)	5	26,345,308.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b

Pt X FIN 48 Footnote from Audited Financial Statements.

"The Financial Accounting Standards Board Staff Position

FIN 48-3 (FSP FIN 48-3) Effective Date of FASB Inter-

pretation No. 48 For Certain Nonpublic Entities, grants

nonpublic organizations the option to defer the effective date

of FASB Interpretation No. 48 (FIN 48) Accounting for

Uncertainty in Income Taxes until the year ended

December 31, 2009. As permitted by FSP FIN 48-3, the

Part XIV Supplemental Information (continued)

Association has elected to delay the implementation of
FIN 48 until the year ended December 31, 2009."

Pt XI Line 8 Financial Accounting Standards No. 158 - \$(8,898,766)
Net Effect on Net Assets from removal of
AGA PAC Net Assets from the Statements.- 17,064
Total Other - Line 8 \$(8,881,702)

Pt XII Line 2D AGA PAC Contributions not included in 990- (\$190,595)
Net Rental Losses - (14,448)
Investment Income Deficit of Board
Designated Spending Allocation - (6,235,309)
Total Other - Line 2D (\$6,440,352)

Pt XII Line 4B Net Unrealized Losses on Investments \$5,143,963
Total Other - Line 4B \$5,143,963

Pt XIII Line 2D AGA PAC Expenses not included in 990 (\$190,595)
Net Rental Losses (14,448)
Total Other - Line 2D (\$205,043)

Pt XIII Line 4B Reclassification of Investment Management
Fees to Expense from Offset to Revenue \$92,523
Total Other - Line 4B \$92,523

Part XIV Supplemental Information *(continued)*

SCHEDULE J
(Form 990)Department of the Treasury
Internal Revenue Service**Compensation Information****For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees****Attach to Form 990. To be completed by organizations that
answered 'Yes' to Form 990, Part IV, line 23.**

OMB No 1545-0047

2008**Open to Public
Inspection**

Name of the organization

American Gas Association

Employer identification number

13-0431590

Part I Questions Regarding Compensation**1 a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- | | |
|--|--|
| <input checked="" type="checkbox"/> First-class or charter travel | <input type="checkbox"/> Housing allowance or residence for personal use |
| <input checked="" type="checkbox"/> Travel for companions | <input type="checkbox"/> Payments for business use of personal residence |
| <input type="checkbox"/> Tax indemnification and gross-up payments | <input type="checkbox"/> Health or social club dues or initiation fees |
| <input type="checkbox"/> Discretionary spending account | <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef) |

Yes**No****1 b** If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain**1 b****X****2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?**2****X****3** Indicate which, if any, of the following organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- | | |
|---|---|
| <input checked="" type="checkbox"/> Compensation committee | <input checked="" type="checkbox"/> Written employment contract |
| <input checked="" type="checkbox"/> Independent compensation consultant | <input checked="" type="checkbox"/> Compensation survey or study |
| <input checked="" type="checkbox"/> Form 990 of other organizations | <input checked="" type="checkbox"/> Approval by the board or compensation committee |

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a**a** Receive a severance payment or change of control payment?**4 a****X****b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?**4 b****X****c** Participate in, or receive payment from, an equity-based compensation arrangement?**4 c****X**

If 'Yes' to any of 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:**a** The organization?**5 a****b** Any related organization?**5 b**

If 'Yes' to line 5a or 5b, describe in Part III

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:**a** The organization?**6 a****b** Any related organization?**6 b**

If 'Yes' to line 6a or 6b, describe in Part III

7 For person listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III**7****8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If 'Yes,' describe in Part III**8****BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule J (Form 990) 2008

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name	(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
	(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other compensation				
David N. Parker	(i) 773,127.	(ii) 200,162.	(iii) 300,635.	68,555.	21,999.	1,364,478.	
Kevin B. Belford	(i) 232,090.	(ii) 31,130.	(iii) 65,539.	139,163.	28,144.	496,066.	
Kevin M. Hardardt	(i) 195,590.	(ii) 36,907.	(iii) 18,537.	42,581.	29,422.	323,037.	
Gary W. Gardner	(i) 171,377.	(ii) 14,340.	(iii) 16,209.	41,918.	21,056.	264,900.	
Richard D. Shelby	(i) 340,590.	(ii) 57,712.	(iii) 414,418.	64,438.	29,485.	906,643.	
Roger B. Cooper	(i) 296,627.	(ii) 51,984.	(iii) 126,927.	70,427.	18,313.	564,278.	
Lori S. Traweek	(i) 239,001.	(ii) 42,735.	(iii) 21,568.	41,303.	4,621.	349,228.	
Christina Sames	(i) 136,877.	(ii) 11,130.	(iii) 15,563.	21,421.	20,371.	205,362.	
Jay A. Copan	(i) 215,787.	(ii) 30,187.	(iii) 44,097.	84,800.	19,283.	394,154.	
Paul L. Wilkinson	(i) 186,627.	(ii) 25,046.	(iii) 16,395.	95,390.	18,245.	341,703.	
Paula Gant	(i) 179,090.	(ii) 23,220.	(iii) 16,474.	14,741.	25,888.	259,413.	
Charles H. Fritts	(i) 153,570.	(ii) 13,123.	(iii) 22,331.	52,897.	21,096.	263,017.	
Andrew Soto	(i) 152,700.	(ii) 5,000.	(iii) 16,975.	14,187.	3,616.	192,478.	
	(i) -	(ii) -	(iii) -	-	-	-	-
	(i) -	(ii) -	(iii) -	-	-	-	-
	(i) -	(ii) -	(iii) -	-	-	-	-
	(i) -	(ii) -	(iii) -	-	-	-	-
	(i) -	(ii) -	(iii) -	-	-	-	-
	(i) -	(ii) -	(iii) -	-	-	-	-
BAA	(i) -	(ii) -	(iii) -	-	-	-	-

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

Pt 1, Ln 1A First class travel - The Chairman of the Board of Directors and spouse are the only people authorized for first class travel.
The Chairman of the American Gas Association serves on a voluntary basis and contributes a significant amount
of time traveling in carrying out those duties. It is therefore appropriate during the Chairman's
tenure that the Association reimburse the Chairman and/or the Chairman's company for expenses
incurred in the conduct of the Chairman's duties and in accordance with AGA's travel policy.

Travel for Companions - The Association recognizes that there will be occasions when it is appropriate for
a spouse to travel on behalf of the Association. In these cases approval for the travel must
be received in advance. AGA considers expenses of a traveling spouse to be taxable income to the
employee. Expenses will be added to the employee's W-2 wages in accordance with the law and
appropriate taxes will be withheld.

Schedule J - Part III Supplemental Information (continued)

Schedule J - Part III - Supplemental Information (Continuation Sheet)

Line Number	Explanation
Pt I Line 4b	David N. Parker \$194,085
	Roger B. Cooper 91,842
	Richard D. Shelby 374,279
	Kevin B. Belford 36,732
	Jay A. Copan 17,794

SCHEDULE J-2
(Form 990)

Continuation Sheet for Form 990

OMB No 1545-0047

2008

Department of the Treasury
Internal Revenue Service

Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

Open to Public Inspection

Name of the Organization <u>American Gas Association</u>	Employer identification number <u>13-0431590</u>
---	---

Part I Continuation: Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
<u>Debra L. Reed</u> Director	1.00	X						0.	0.	0.
<u>Stephen P. Reynolds</u> Director	1.00	X						0.	0.	0.
<u>John G. Russell</u> Director	1.00	X						0.	0.	0.
<u>George A. Schreiber, Jr.</u> Director	1.00	X						0.	0.	0.
<u>Jeffrey W. Shaw</u> Director	1.00	X						0.	0.	0.
<u>David F. Smith</u> Director	1.00	X						0.	0.	0.
<u>John W. Somerhalder, III</u> Director	1.00	X						0.	0.	0.
<u>Nickolas Stavropoulos</u> Director	1.00	X						0.	0.	0.
<u>Russ M. Strobels</u> Director	1.00	X						0.	0.	0.
<u>John L. Walsh</u> Director	1.00	X						0.	0.	0.
<u>John B. Williamson, III</u> Director	1.00	X						0.	0.	0.
<u>Michael Yackira</u> Director	1.00	X						0.	0.	0.
<u>David N. Parker</u> President / CEO	50.00			X				1,273,924.	0.	86,420.
<u>Kevin B. Belford</u> General Counsel	50.00			X				328,759.	0.	163,199.
<u>Kevin M. Hardardt</u> Chief Fin'l & Admin Off.	50.00			X				251,034.	0.	68,117.
<u>Gary W. Gardner</u> VP - Corp. Secretary	50.00			X				201,926.	0.	59,247.
<u>Richard D. Shelby</u> Exec. VP Public Affairs	50.00				X			812,720.	0.	89,974.
<u>Roger B. Cooper</u> Exec. VP Policy & Plan.	50.00				X			475,538.	0.	84,791.
<u>Lori S. Traweck</u> Sr. VP & COO	50.00				X			303,304.	0.	41,803.
<u>Christina Sames</u> VP - Operations & Eng.	50.00				X			163,570.	0.	38,250.
<u>Jay A. Copan</u> Sr. VP - Corp. Affairs	50.00					X		290,071.	0.	100,005.

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

Department of the Treasury
Internal Revenue Service

Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

2008

Open to Public Inspection

Employer Identification number

13-0431590

[illegible]

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

► Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

American Gas Association

Employer identification number

13-0431590

Pt I, Line 1 Approved by the AGA Board on 9/16/06.....

The American Gas Association represents companies delivering natural gas to customers to help meet their energy needs. AGA members are committed to delivering natural gas safely, reliably and cost-effectively in an environmentally responsible way. AGA advocates the interests of its members and their customers, and provides information and services promoting efficient demand and supply growth and operational excellence in the safe, reliable and efficient delivery of natural gas.

Pt III, Line 1 Approved by the AGA Board on 9/16/06.....

The American Gas Association represents companies delivering natural gas to customers to help meet their energy needs. AGA members are committed to delivering natural gas safely, reliably and cost-effectively in an environmentally responsible way. AGA advocates the interests of its members and their customers, and provides information and services promoting efficient demand and supply growth and operational excellence in the safe, reliable and efficient delivery of natural gas.

To further this mission, AGA:

1) Focuses on the advocacy of natural gas issues that are priorities for the membership and that are achievable in a cost effective way.

2) Encourages, facilitates, and assists members in sharing information

Name of the organization

Employer identification number

American Gas Association

13-0431590

designed to achieve operational excellence by improving their safety, security, reliability, efficiency, and environmental and other performance metrics;

3) Assists members in managing and responding to customer energy needs, regulatory trends, natural gas markets, capital markets and emerging technologies;

4) Collects, analyzes and disseminates data on a timely basis to policy makers and the public about energy utilities and the natural gas industry.

5) Serves as a voice on behalf of the energy utility industry and promotes natural gas demand growth by emphasizing before a variety of audiences the energy efficiency, environmental and other benefits of natural gas and promotes natural gas supply growth by advocating public policies favorable to increased supplies and lower prices to customers; and

6) Delivers measurable value to AGA members.

Pt III, Ln 4A Public Affairs - (Expenses \$7,036,204)

AGA has in place a Public Affairs program to monitor federal legislative activities and to discuss with members of Congress and their staff the regulated gas industry's views on these activities. AGA's government relations efforts play a key role in protecting the interests of the natural gas utility and its

Name of the organization

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American Gas Association

13-0431590

customers from proposed legislation that inadvertently or otherwise could have serious impacts on gas supply and cost of gas service.

While the subject matters AGA monitored in 2008 were broad, all of AGA's legislative positions have either a direct or indirect benefit to gas utility customers. Issues addressed in 2008 include:

- Low Income Home Energy Assistance Program (LIHEAP): AGA's ongoing effort with Congress to obtain increased funding for the federal Low Income Home Energy Assistance Program resulted in a record \$5.1 billion appropriation—a boost of \$2.5 billion over the previous year's funding level. This program is essential in reducing the financial burden of those on low and fixed incomes as they provide themselves with needed basic energy services. Although \$5.1 billion in annual LIHEAP funding is authorized by the Energy Policy Act of 2005, Congress continued to appropriate far less money. In lobbying Congress for full funding of LIHEAP in fiscal year 2009, which began in October 2008, AGA pointed out that the \$2.6 billion allocated in fiscal 2008 provided enough money to assist only 16 percent of the households eligible for LIHEAP.

The \$5.1 billion appropriation means that the amount of LIHEAP money available to help AGA members' low-income natural gas customers pay their energy bills is \$1.14 billion greater than in fiscal 2008. The calculation reflects data showing that 52 percent of LIHEAP recipients heat their homes with natural gas and that AGA members account for 92 percent of nationwide residential gas deliveries.

- Climate Change Legislation: Numerous proposals dealing with climate change were released in 2008 at the state, regional and federal level, including the Western Climate Initiative, a California Air Resources Board proposal, the Midwestern Climate Accord and bills drafted by members of Congress. Because of AGA's efforts, it's likely that these proposals will be amended to treat residential and commercial natural gas customers more favorably. AGA met with many

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----- Congressional members and staffers, including, all members of Senate Environment and Public
 ----- Works Committee and House Energy Subcommittee on Energy and Air Quality, to discuss LDCs
 ----- under the cap and trade provisions of proposed legislation and determine how future efficiency
 ----- gains/consumption reductions for residential and commercial natural gas customers may affect
 ----- LDCs and their customers under any Climate Change regulatory regime. In addition, AGA gave speeches at all NARUC
 ----- regional meetings; presentations before both the NARUC Washington Action Task Force and
 ----- NARUC Gas Committee during summer meetings and annual conference; performed modeling
 ----- on price and cost related to climate change legislation; filed AGA comments on EPA advance
 ----- notice and opposed EPA's plan to create a mandatory climate change program under the
 ----- existing Clean Air Act, without further action by Congress. -----

 ----- - Distribution Integrity Management: In 2008, after several years of collaboration among gas
 ----- utility industry representatives through AGA, state and federal officials, and other interested
 ----- parties, the U.S. Department of Transportation's the Pipeline and Hazardous Materials Safety
 ----- Administration issued a proposed rule on integrity management of natural gas distribution pipes
 ----- to which AGA submitted comments. -----

 ----- - Natural Gas Supply: AGA has been a leading voice in increasing access to natural gas resources.
 ----- These efforts provide the opportunity for increased natural gas production, which,
 ----- when production starts, should put downward pressure on natural gas prices and price
 ----- volatility, thereby helping the customers of AGA member companies. -----

----- In 2008, these efforts included filing comments on the U.S. Department of the Interior Minerals
 ----- Management Service proposed 5 year OCS Oil and Gas Leasing Program Plan for 2010-2015;
 ----- calling for removal of the ban on oil and natural gas drilling in certain areas on the U.S. Outer
 ----- Continental Shelf (OCS) (the OCS moratoria expired in 2008), successfully opposing efforts to
 ----- reverse pro-production provisions of 2005 energy bill; promoting renewable natural biogas
 ----- at preliminary stages; participating on NARUC Moratoria Study Force; and providing testimony

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----- at the state level on national market conditions. -----

----- In addition to its advocacy in 2008, the Public Affairs group reviewed and commented on the economic -----
 ----- and other impacts to the natural gas utility industry and its customers of regulations proposed by a great -----
 ----- number of executive branch agencies including, EPA, departments such as DOE and DOT and -----
 ----- independent agencies such as FERC to communicate the interests of the natural gas -----
 ----- utility industry and its customers. -----

Pt III, Ln 4B ----- Operations and Engineering - (Expenses \$5,119,289) -----

----- The Operations and Engineering Section includes 13 technical committees whose work is overseen by a -----
 ----- Managing Committee. These committees focus on everything that can help natural gas utilities achieve -----
 ----- operational excellence in the safe, reliable and efficient delivery of natural gas. Nearly 900 member -----
 ----- company employees served on committees in 2008. -----

----- The thirteen technical committees are: 1) Corrosion Control Committee; 2) Distribution Construction -----
 ----- and Maintenance Committee; 3) Distribution Measurement Committee; 4) Distribution & Transmission -----
 ----- Engineering Committee; 5) Environmental Matters Committee; 6) Gas Control Committee; 7) Natural -----
 ----- Security Committee; 8) Plastic Materials Committee; 9) Safety and Occupational Health Committee, -----
 ----- 10) Supplemental Gas Committee; 11) Transmission Measurement Committee 12) Underground Storage -----
 ----- Committee; and 13) Utility and Customer Field Services Committee. -----

----- The Operations and Engineering Section facilitates the exchange of information among peers in other -----
 ----- companies in order to better serve their customers. The 2008 information exchanges included: -----

----- - Best Practice Program for Distribution, Transmission and LNG (Liquefied Natural Gas). AGA's Best -----
 ----- Practices Program is an effort to identify procedures of superior performing gas industry. -----

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companies and innovative work practices that can be used to improve participants' operations. It focuses on improving the safety and efficiency of gas distribution system construction, maintenance, operation and inspection and makes available information regarding a number of operational improvements. Our members have documented millions of dollars in savings from participation in these programs. These savings translate to lower costs for the customer. The 2008 benchmarking topics for the distribution segment were damage prevention and marking and locating; emergency response; employee safety; company profile; and system reliability. The transmission segment covered internal corrosion prevention/internal corrosion direct assessment, interactive threats and cased pipeline crossings. The LNG segment focused on employee safety and LNG facility profiles. Ninety companies participated in the 2008 Best Practices Program.

- The SOS Program. Allows individual members to send operationally related inquiries to their peers in member companies to better understand how others are addressing a particular issue/challenge. In 2008, this program facilitated 70 member company requests for operations-related information.

- AGA Operations Conference (held in May, with 800 in attendance) and 68 other topical forums and technical committee meetings. Each committee hosts at least two committee meetings per year with the spring meetings consolidated into one large conference that includes the majority of the committees. The committee meetings helped produce three standards and publications, including a Natural Gas Green Building Program, and a number of issue papers.

- Regional operations executive meetings allowed senior operational executives to meet with peers in different geographic regions to discuss operationally related issues.

Further, in 2008, the Operating & Engineering staff, committees and participating members

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----- worked to: -----

----- - Obtain a reasonable Distribution Integrity Management proposed rule through contacts and -----

----- dialog with the Department of Transportation's (DOT) Pipeline and Hazardous Materials Safety -----

----- Administration. The proposed rule was published in June 2008. -----

----- - Obtain a Control Room Management proposed rule through contacts and dialog with the -----

----- Department of Transportation's Pipeline and Hazardous Materials Safety Administration that is -----

----- expected to be reasonable and cost effective when it is finalized, -----

----- - Develop, with the DOT a two-day technical workshop to discuss integrity assessment for cased -----

----- pipes under the DOT's transmission integrity management rule's baseline-assessment -----

----- requirements. Methods which gas utilities may apply for pipe segments in casings when it's not -----

----- possible to use a pig or a pressure test were discussed, including, Long-Range Guided Wave -----

----- Ultrasonics (GWUT), an emerging technology, and effective external corrosion direct- -----

----- assessment procedures when pigging and pressure testing are not viable assessment methods. -----

----- AGA members currently are developing such a procedure. -----

----- - Worked, with other energy organizations and the Department of Homeland Security (DHS), to -----

----- consider whether DHS apply DOT's high-consequence-area concept in analyzing underground -----

----- gas storage operations under its Chemical Facility Anti-Terrorism Standards, which address the -----

----- security of facilities storing chemicals that pose security risks at amounts in excess of -----

----- predetermined thresholds, which includes natural gas stored at underground natural storage -----

----- facilities. DHS later determined the standards don't apply to more than 80 percent of the -----

----- nation's gas storage facilities because they aren't located in areas of high population density -----

----- and, therefore, would not be viable terrorist targets. -----

Name of the organization

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Pt III, Ln 4C Policy, Planning & Regulatory Affairs - (Expenses \$4,041,413)

AGA's Policy, Planning and Regulatory Affairs Section work in 2008, affected: the dissemination of information and analysis of the economic and physical condition of the natural gas industry, the state and federal regulatory regimes under which natural gas utilities are directly regulated, and how natural gas utilities may increase the efficiency of their operations and the end use of natural gas in a carbon constrained economy.

The Section's Policy Analysis Group provided a vast array of data about all aspects of the natural gas industry and collected and compiled it in ready-reference form. Among the 2008 publications were: GAS FACTS, Heating/Cooling Degree-Day Statistics, and the Natural Gas Market Indicators bi-weekly report.

AGA also undertook a wide range of analyses on environmental, financial, gas supply, gas demand, consumer cost, capital requirements, resource efficiency and other issues facing the gas industry. These analyses assisted the general public, members and other decision-makers in resolving the country's current energy problems and in establishing public policies that will be in the nation's best interest.

The Section's Regulatory Affairs Group includes two committees that address respective state and federal regulatory regimes under which most AGA members are regulated: the Rate Committee and the Federal Energy Regulatory Commission Regulatory Committee.

The Rate Committee has developed and maintains an annual rate fundamentals training course and textbook that is used by many member companies and regulatory agencies in their training programs. This year's program was in July in Chicago. The Rate Committee also held rate seminars where participants learned of programs undertaken by other gas utilities, for example, in the areas of innovative rate design. It also developed and distributed regular publications on state regulatory proceedings and

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decisions and general rate design principals and innovations.

In 2008, the Federal Energy Regulatory Commission Regulatory Committee, through AGA staff, successfully advocated that FERC implement new rules regarding: 1) the release of pipeline capacity and facilitating the use/implementation of asset management agreements which has the potential to increase the value and reduce the cost of holding long-term capacity, 2) increased market transparency through annual transaction reports that increase price transparency without unduly burdening the affected parties, 3) standards of conduct for transmission providers, and 4) electronic filing of tariffs; successfully worked with other organizations advocating changes to FERC's enforcement program, successfully worked with FERC staff to establish technical conferences related to new Form 552 (annual transaction report) and to clarify scheduling and nomination procedures on LDC systems, filed comments supporting increased transparency of pipeline posting but urging FERC to clarify the exemption from the posting requirements for LDCs and urged FERC to streamline the process for approving business practices standards developed by NAESB; filed joint comments on proposed changes to enforcement rules; filed for judicial review of revised FERC financial reporting requirements for interstate pipelines challenging FERC's decision not to provide shippers additional fuel data; filed a protest urging FERC to deny a petition that would eliminate the requirement that market-based rate storage providers post pricing info on the Internet; filed comments to NAESB expressing concerns of LDCs regarding changes to the scheduling and nomination timelines.

This Section also worked to promote natural gas utility positions on energy efficiency. These efforts included testifying before the National Academy of Sciences (NAS) on full fuel cycle and submitting responses to NAS questions; producing a webcast seminar on natural gas energy efficiency incentive programs; publishing the 2007 LDC National Gas Energy Efficiency Program Report, completing a Natural Gas Green Building program; obtaining DOE ENERGY STAR criteria for natural gas residential water heaters; providing testimony in various state commission proceedings related to energy efficiency & rate design, the benefits of decoupling and straight fixed variable rate design, and on energy efficiency &

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rate design; securing passage of NARUC resolution promoting the AGA-Natural Resources Defense Council (NRDC) 2nd Joint Statement, delivering Customer Service workshop on Energy Efficiency; surveying members on their energy efficiency efforts (2nd Annual Natural Gas Utility Energy Efficiency Program survey).

In addition, this section worked with the national associations representing persons who regulate natural gas utilities, including, the National Association of Regulatory Utility Commissioners (NARUC) and the National Association of Pipeline Safety Representatives (NAPSR). With respect to these national groups, AGA: participated in NARUC's Staff Subcommittee on Accounting and Finance Meeting and provided member company presentation on AGA position on pipeline expansion projects in the Rockies, Alaska, and elsewhere as well as a presentation on rate designs, LNG supply, and interstate pipeline capacity; participated in the development and review of the NARUC issued "2008 Tool-kit of information for Natural Gas Utility Regulators", published response to criticism of decoupling previously published by Electricity Consumers Resource Council (ELCON); secured passage of resolution on AGA/Natural Resources Defense Council (NRDC) 2nd Joint Statement during NARUC summer meeting and four industry-specific resolutions at NARUC winter meeting (excavation damage and pipeline safety, LIHEAP, LNG safety, and energy efficiency), attended all regional NAPSR meetings and secured plenary session slot for each meeting; and made a presentation to NAPSR on magnitude of infrastructure investment costs and pipeline safety costs and how new rate design mechanisms are successfully recovering these costs.

Pt III, Ln 4D Other Program Services - (Expenses \$4,794,756)

Corporate Affairs - (Expenses \$2,754,868)

Coordinates outreach with member companies, as well as, the financial community and provides support services for AGA's committee meetings and

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----- conferences. -----

----- General Counsel Programs - (Expenses \$1,043,295) -----

----- The Office of General Counsel assists member company attorneys in more -----

----- effectively performing their duties, thereby, helping those companies -----

----- operate more efficiently. For example, AGA offers litigation alerts, legal -----

----- forums and workshops, antitrust compliance programs, assistance to -----

----- members in potentially precedent setting litigation, as well as, analyses -----

----- and legal summaries. -----

----- Industry Finance & Admin. Programs - (Expenses \$996,593) -----

----- The Financial and Administrative group develops and implements programs in -----

----- the following areas: accounting, customer service, human resources, -----

----- risk management and information technology. These programs help -----

----- member companies operate more efficiently in today's competitive -----

----- environment. For example, in the customer service area, AGA's Data -----

----- Source is the utility industry's premier tool for benchmarking -----

----- customer service programs. Subjects covered include: call centers, -----

----- energy assistance programs, billing and meter reading. A -----

----- powerful online search engine enables members to retrieve data -----

----- efficiently, thereby increasing employee productivity. AGA -----

----- sponsors accounting workshops and training programs on cutting edge -----

----- issues facing our member companies. We also provide surveys on insurance -----

----- coverage and compensation that is helpful in identifying trends -----

----- and controlling costs. -----

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Pt IV, Line 12 The American Gas Association receives an audited financial statement for the Association and one related organization. The related organization has assets and revenues equal to less than one-half of one percent of the combined entities.

Pt VI-A, Line 6 The Association is a membership organization and members nominate and elect members of the Board of Directors (the Association's principal governing body) at the Association's Annual Meeting.

The Association has five classes of members under Article III of its Bylaws. Full members include United States gas distribution public and municipal utilities and have voting rights. Limited, Associates, Honorary and International members do not have voting rights.

Pt VI-A, Line 7b The members of the Association make certain decisions, such as, the election of the principal governing body (Board of Directors) as outlined in the organization's bylaws at the annual or special meetings of the Association. Special meetings may be called by the membership to address any issues or questions.

Pt VI-A, Line 10 The Association's internal process for review of tax forms is extensive. For the Form 990, the Association's Controller (also a CPA) drafts the form with input from the staff review group (SRG), composed of appropriate staff officers and accountants. A draft 990 is then provided to the outside auditing firm, the CEO, the Chief Financial Officer (CFO), the General Counsel and others. The Controller then has responsibility to circulate the comments to the SRG and incorporate appropriate

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corrections into the 990. The final draft is then prepared for SRG approval and provided to the Audit Committee. The CFO reviews the 990 with the Audit Committee. The Audit Committee Chairman reports on this review to the Board of Directors. The 990 is provided to the Board of Directors before it is filed.

The Association's governing bodies are active in a number of ways. The Association members elect a Board of Directors (BOD) from the the membership. Committees related to finance oversight, compensation and governance are established by the BOD. These include the Executive Committee, Board Finance Committee, Board Audit Committee (CEOs and/or CPAs from member companies, primarily with public accounting backgrounds) and Board Compensation Committee (BOD Chair, Vice Chair, 2nd Vice Chair, and other BOD members usually with leadership roles in the Association). The Audit Committee Chair is a member of the Board of Directors and provides regular reports of the Audit Committee to the Board of Directors.

Pt VI-B, Line 12c The organization has new employees review and sign a statement of compliance with the conflict of interest policy at the time of hiring. All employees have a continuing duty to report any actual or potential conflict of interest in accordance with the policy and ANNUALLY sign a statement of compliance. New Board Members (NBM) attend a Board orientation session with the organization's Chairman, President, Chief Financial Officer, General Counsel and others where the Association's policies are reviewed. NBMs make a declaration of any potential conflict of interest.

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----- All Board members have a continuing duty to report any actual or -----
 ----- potential conflict. The potential conflicts for Board members, -----
 ----- officers, employees and others are reviewed by the Association's CEO, -----
 ----- General Counsel, CFO and Human Resources Director and a -----
 ----- schedule is prepared and furnished to the independent auditors -----
 ----- and made available to the AGA Audit Committee. More detail is provided in -----
 ----- the policy. -----

Pt VI-B, Line 15 For over 10 years, the Association has used a multifaceted -----
 ----- approach to determining compensation for it's CEO, officers and employees. -----
 ----- This approach includes establishing written position descriptions, -----
 ----- salary ranges for positions, setting position goals, providing -----
 ----- written performance evaluations, measurement of performance, quarterly -----
 ----- or annual goal review, and contemporaneous substantiations of the -----
 ----- process. The Association's current compensation policy dated -----
 ----- December 2002 describes the process in more detail. The Association -----
 ----- also retains an independent compensation consulting firm to advise -----
 ----- the Board Compensation Committee and officers. Compensation -----
 ----- adjustments usually are recommended by supervisors and approved by -----
 ----- managers, directors and/or officers. Adjustments must also be -----
 ----- approved by the Human Resources Director. Officer's individual -----
 ----- salary adjustments are recommended to the Board Compensation -----
 ----- Committee by the CEO, must be approved by the Board Compensation -----
 ----- committee after review, and reported to the Board of Directors. -----
 ----- The CEO's compensation is first discussed by the Board Compensation -----
 ----- Committee with an independent consulting firm specializing in -----
 ----- non-profit organizations to determine the Board Compensation -----

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Committee's recommendation to the Board of Directors. The Chairman of the Board then presents the recommendations and reasons for the CEO compensation adjustment, if any, for a vote by the full Board. Contemporaneous substantiation of the deliberations, decisions and Board of Directors action is maintained in the Human Resources files and the minutes of the Compensation Committee.

Pt VI-C, Line 19 The organization makes the information available in a number of ways. The organization's governing documents are available on AGA's website (www.aga.org) under "About AGA." The conflict of interest policy is also available under "About AGA." Financial Statements are provided to the entire Board and others on a quarterly basis. Annual audited financial statements are provided to the entire membership. Financial, governance and other information can also be obtained from the Association electronically by request under "Contact Us" on the website or by mail.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

Related Organizations and Unrelated Partnerships

► Attach to Form 990. To be completed by organizations that answered 'Yes' to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
► See separate instructions.

2008

Open to Public Inspection

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Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity

Part II Identification of Related Tax-Exempt Organizations

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Exempt Code section	(E) Public charity status (if section 501(c)(3))	(F) Direct controlling entity
American Gas Association PAC C00007450 400 N. Capitol St., NW, Washington DC 20001	Political Action Committee	DC	527		

Part V Transactions With Related Organizations**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV**1** During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV**a** Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity**b** Gift, grant, or capital contribution to other organization(s)**c** Gift, grant, or capital contribution from other organization(s)**d** Loans or loan guarantees to or for other organization(s)**e** Loans or loan guarantees by other organization(s)**f** Sale of assets to other organization(s)**g** Purchase of assets from other organization(s)**h** Exchange of assets**i** Lease of facilities, equipment, or other assets to other organization(s)**j** Lease of facilities, equipment, or other assets from other organization(s)**k** Performance of services or membership or fundraising solicitations for other organization(s)**l** Performance of services or membership or fundraising solicitations by other organization(s)**m** Sharing of facilities, equipment, mailing lists, or other assets**n** Sharing of paid employees**o** Reimbursement paid to other organization for expenses**p** Reimbursement paid by other organization for expenses**q** Other transfer of cash or property to other organization(s)**r** Other transfer of cash or property from other organization(s)**2** If the answer to any of the above is 'Yes,' see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(A) Name of other organization	(B) Transaction type (a-r)	(C) Amount involved
(1) American Gas Association PAC		M	0.
(2) The total costs of sharing Facilities, etc were less than \$50,000.			
(3)			
(4)			
(5)			
(6)			

BAA

TEEA5003 07/02/08

Schedule R (Form 990) (2008)

